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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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F. RHETT BROCKINGTON			RUHL, DENNIS WILLIAM	
10613 KENNEL LANE			ART UNIT	PAPER NUMBER
CHARLOTTE, NC 28277			3629	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	09/852,867	WALLACE, ELBIE D.	
	Examiner	Art Unit	
	Dennis Ruhl	3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 24 September 2007.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1,2,6 and 16-22 is/are pending in the application.
 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1,2,6 and 16-22 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____	5) <input type="checkbox"/> Notice of Informal Patent Application
	6) <input type="checkbox"/> Other: _____

Applicant's response of 9/24/07 has been entered. Currently claims 1,2,6,16-22 are pending. The examiner will address applicant's remarks at the end of this office action.

1. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. Claims 1,2,6,16-22, are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

For independent claims 1,21,22, applicant has claimed more than one limitation that is considered to be new matter. In part a) applicant recites "qualifying the risk of default by a potential renter against at least one lease warranty criteria. The specification as originally filed never disclosed that the *risk of default* was being qualified, it disclosed that the potential renter was being qualified against 3 kinds of criteria. The examiner cannot find any discussion in the specification or claims as originally filed where the "risk of default" is discussed. This is taken as new matter. With respect to the language of "at least one" lease warranty criteria (also in claim 6), the specification as originally filed never made mention of the fact that only one of the 3 criteria was required. The specification as originally filed stated that all 3 criteria were to

be looked at, not just one. The language of "at least one" never appears in conjunction with the claimed criteria. This is also new matter. The language stating "*and all subsequent potential renters*" is also seen as new matter because the specification as originally filed never made any mention of any subsequent renters, only the one renter being qualified. The specification only mentioned the one renter that is being checked to see if he/she qualifies. The language "*"and all subsequent potential renters*" never appears in the specification as originally filed. For claim 20, the language of "*after step b*" is new matter. The specification as originally filed never stated what order the fee arrangement, range of rent, and list of landlords was output. To now claim that one comes before the other is new matter and is not supported by the specification as originally filed.

Applicant has stated that page 2 and the language "the guarantor's criteria which are much less demanding" provides support for this language. The examiner disagrees because this statement has nothing to do with the above new matter limitations. Applicant also relied upon page 5, lines 9-10. These lines do not support any of what is mentioned above and that has been considered to be new matter. Applicant is requested to provide a clear showing of how and where the specification supports the above limitations that are considered to be new matter in the event that applicant intends to traverse this rejection. The specification as originally filed did not disclose what applicant is not claiming and therefore the above limitations are considered to be new matter.

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3. Claims 1,2,6,16-22, are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Applicant has claimed that a cost for a warranted lease is calculated for "all subsequent potential renters". How is this done? The claim only recites that the "potential renter" (singular) is qualified against lease criteria, so how can one go about and calculate a lease for potential renters that you do not even have the name of yet? How can a cost for potential renters be calculated when the potential renters have not been checked into yet and are future renters that you do not even know about yet? This is not possible in the opinion of the examiner. Discounting the fact that this limitation is new matter, if you only qualify one renter, which is all that is claimed, how can a cost be calculated for "all subsequent potential renters", which includes future renters? This does not seem possible and the examiner has concluded that this would involve undue experimentation for one skilled in the art to practice what is claimed. This is because is does not seem possible and is akin to seeing into the future, something that is generally recognized as not being possible.

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4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. Claims 1,2,20-22, are rejected under 35 U.S.C. 102b as being anticipated by Weatherly et al. (6049784).

For claims 1,21,22, Weatherly discloses a lease guarantor that will provide a lease warranty to a landlord in the event that a renter has defaulted on their rent.

Column 4, lines 25-33 disclose that the renter must qualify for the lease warranty by satisfying guarantor set criteria. Qualifying the renter against the set criteria is an assessment as to the risk of default that the renter poses. This satisfies part a).

Weatherly discloses a credit check and an employment check as claimed. This satisfies both of ii and iii of part a). The examiner notes that the claim as amended only requires one of the 3 types of criteria and Weatherly actually discloses two of them, namely a credit check and employment check. Column 4, lines 66-column 5, line 9 discloses the warranty and how the payments can be structured. With respect to the recitation of “calculating the cost of a warranted agreement”, see column 4, lines 34-65 where it is disclosed that a computer is used to check the potential renter and the computer will “determine which service product the financial institution will offer the tenant.” Also disclosed is that “the computer system will ...determine which product the financial institution will offer to the tenants.”. The computer system is disclosed as determining the cost of the lease agreement. The service product can be anything from a one

month guarantee to "at least three months". This is the cost that the guarantor will have to pay in the event of a default. The examiner also notes that column 2, lines 15-20 disclose that a management fee is also paid to the guarantor and this is inherently part of the service product that the computer system determines is appropriate for the potential renter. The lease is entered into once the agreement is accepted, see column 5, lines 10-14 as an example.

For claim 2, Weatherly discloses that with respect to the credit check, any indication of fraud is reason for denial. See column 4, lines 34-40. A credit check is a check for bills/debts not paid because if you do not pay a bill or debt, the failure to pay is reported to a credit agency so that in the future another lender can be made aware of the previous failure to pay a bill/debt. This satisfies the limitation of denying the renter if a past due utility bill is found. Applicant should take notice that claim 2 is not further limiting the fact that only one of i, ii, or iii is required to reject the claim. Simply having a credit check done satisfies what is claimed because of the language of "at least one".

For claim 20, the outputting of the list of landlords who will accept the renter are present in Weatherly because when you print the contract itself it will include the name of the landlord that is willing to and is accepting the renter. The name of the landlord willing to and who has accepted the renter constitutes a list as claimed. Also, the limitation of just generating a list of landlords, with no further use of the list, is a limitation directed to the generation of non-functional descriptive material. Applicant never uses the list in any manner. Patentably distinguishing weight will not be given to a list of data where the data is not used in any further manipulative manner by the

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claims. This is claiming non-functional descriptive material that does not serve as a limitation.

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 6,16,18, are rejected under 35 U.S.C. 103(a) as being unpatentable over Weatherly et al. (6049784).

For claim 6, applicant has claimed that the renter will be qualified regardless of non-payment of rent, or student loans, or medical bills, or lack of credit, or bankruptcy, or auto repossession. This is not disclosed by Weatherly. The specific criteria used to assess a particular prospective renter are directly related to the level of risk that the guarantor is willing to accept. Weatherly even discloses in column 1, lines 59-end, that the renter is evaluated to "determine the acceptability of the level of financial risk associated with the potential lessee". Based on this fact, it would have been obvious to one of ordinary skill in the art who was willing to accept a high level of financial risk associated with a potential renter to approve the renter even if they have non-payment of rent or student loans or medical bills or lack of credit, or bankruptcy, or auto repossession. These features are criteria that would be of interest to one of ordinary skill in the art who leases housing. One willing to accept a very high level of risk would find it obvious to qualify a renter as claimed, regardless of their past credit history, etc..

This would be obvious to one of ordinary skill and is dependent on the level of risk one is willing to accept.

For claim 16, it is not disclosed that default is when the renter has an ejection conviction. The examiner interprets this to be an eviction of the tenant. One of ordinary skill in the art would have found it obvious to consider the tenant in default only after an ejection conviction because this is the point in time where a legal authority has decided the issue and found grounds for eviction. The tenant has then been afforded some due process rights. This is also something that one of ordinary skill in the art would find negotiable and adjustable in the contract for the lease warranty itself. One could set the contract as defining default after one rent payment is not received on time if one wanted to or one could set forth that default is after two late rent payments. This would be an obvious choice that one of ordinary skill in the art would recognize as being set as one desired.

For claim 18, see column 4, lines 11-17 where it is disclosed that an advertising campaign would be undertaken to attract landlords to use the guarantor service. Not disclosed is that a database of landlords is provided as claimed. It would have been obvious to one of ordinary skill in the art at the time the invention was made to store landlords in a database as claimed because it is disclosed that an advertising campaign is used to attract landlords to the service. One of ordinary skill in the art would find it obvious to have some database files pertaining to the customers of the service such as landlords that you targeted with the advertising campaign. One would assume that some customers would be repeat customers and storing information about your

customers in a database is clearly within the understanding and motivation of one of ordinary skill in the art.

8. Claims 17,19, are rejected under 35 U.S.C. 103(a) as being unpatentable over Weatherly et al. (6049784) in view of ATS, Inc. web site.

For claim 17, not disclosed is that the application is completed using an Internet web site. Weatherly discloses that the landlord submits data to the guarantor using a communication link 16 that connects computers 10 and 12. Weatherly does recognize and disclose electronic submission of data to the guarantor for purposes of performing a renter screening. ATS discloses a web site where information on prospective tenants is submitted for review. ATS teaches that applications for leases are taken by using a web site on the Internet and that this is an easy to use and efficient manner of performing the method of tenant screening. It would have been obvious to one of ordinary skill in the art at the time the invention was made for the renter to submit an application to the guarantor by using a web site on the Internet as disclosed by ATS because it is a very easy to use and efficient manner of communication. The quote from Richard De Boer states "I found your web site on the Web and have been using you ever since. I have been very happy ever since". Bryan Osborne is quoted as saying "The online reports save a lot of paperwork.". Sue Schlea states "ATS has a quick response time.". One of ordinary skill in the art would have found it obvious to use a web site for a renter to fill out an application for lease.

For claim 19, Weatherly discloses that the landlord is notified of a denial of a tenant. See column 4, lines 34-65. Also disclosed in Weatherly is that a communication link 16 is used to connect landlord computer 10 to guarantor computer 12 for purposes of data submission concerning the prospective renter. In view of this, one of ordinary skill in the art at the time the invention was made would have found it obvious to notify the landlord via the Internet (such as by email) of a renter being qualified because the Internet is a very well known communication link for computers around the world. Weatherly teaches electronic communication between computers via a communication link and from this teaching the use of the Internet (email) is considered a very obvious choice to one of ordinary skill in the art. Additionally, and as an additional interpretation, ATS discloses the use of the Internet for notifying the landlord of the results of a tenant check. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the Internet in Weatherly to notify the landlord of a tenant being qualified as disclosed by ATS.

9. Applicant's arguments filed 9/24/07 have been fully considered but they are not persuasive.

With respect to applicant questioning how the examiner can use the content of a website as prior art because applicant feels it was impossible to tell what was on the site as of May 2001, the applicant was provided with a copy of the website content from 1999 and made aware of the content via a notice of references cited form 892 in the

very first office action of 7/22/05. The wayback machine (archive.org) was used to retrieve a stored version of the ATS website, something that is proper and is considered to be valid and usable prior art by the PTO. Internet publications (websites) are valid prior art.

Applicant has argued that the amended claim 1 recites that a lease agreement is offered to the potential renter and all subsequent renters. No such language appears in claim 1 as the only person the lease agreement is offered to is the potential renter. This argument is not commensurate with the scope of the claims.

Concerning the use of a computer, upon a further reading of Weatherly, it is noted that a computer is disclosed as doing what is claimed. Also, arguing that *In re Venner* does not apply is not persuasive as the mere automation of a manually recognized activity is generally accepted as obvious as that precedent states. This is also especially true in view of the recent KSR supreme court decision that changed the standards for obviousness under 35 USC 103. Also, the age of a court case has not bearing on its relevancy to the issues at hand. To argue such would mean that landmark Supreme Court cases from decades ago no longer apply to current day society, an argument that is without merit. *In re Venner* is still a valid precedent that an examiner can rely upon and is still found in the MPEP as a valid and citable legal precedent.

The entire 2nd paragraph on page 9 is noted, but it is unknown to the examiner what point applicant is trying to make. The language "at least one months rent" is not in claim 1. Also not claimed is anything having to do with "an obligation" assumed by the

renter, although a lease is a legal contract and is an obligation. It is not clear what applicant has argued in this paragraph.

For the alleged argument for claim 6, it is not persuasive. It is not very clear as to what applicant is actually arguing. Applicant does not actually state why the rejection is not considered to be improper as far as obviousness goes as far as the examiner can tell. Obviousness can be taken from the knowledge of one of ordinary skill in the art and common sense (KSR). In this case the examiner has set forth why one of ordinary skill in the art would find the claim limitation obvious. A person willing to take a lot of risk can ^{qualify} and accept a potential renter regardless of their credit history, etc.. This is obvious and is not novel. No persuasive argument has been presented.

DR
1-3-08

For claim 16, the argument that the limitation was so obvious, then Weatherly would have taught it, is not persuasive. Obviousness is not made just in view of a singular prior art reference but also must take into account the level of ordinary skill in the art, common sense, and logical choices one is aware of. Applicant is essentially arguing that the examiner must have a 102 reference to be able to say the limitation is obvious. The examiner has stated why the limitation is considered to be obvious and applicant must address this reasoning on the merits and explain the errors in the analysis to properly traverse the rejection. No persuasive argument has been presented.

The examiner notes that applicant has not specifically addressed newly added claims 21 and 22. They are not seen as allowable and no argument for their

patentability has been presented for the examiner to consider, other than the arguments for claim 1 (which are not persuasive as stated previously).

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dennis Ruhl whose telephone number is 571-272-6808. The examiner can normally be reached on Monday through Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 571-272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



DENNIS RUHL
PRIMARY EXAMINER